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A publication providing information and items of interest to California Healthy Families and Medi-Cal Enrollment Entities, Certified Application Assistants, families, and participating plans.

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If you have a story idea you would like to share or comments about this newsletter, please contact us.

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No Waiting List for HFP New Enrollment!

We have great news!!!

First 5 California and the local Commissions approved \$16.7 million to fund the Healthy Families Program new enrollments for children ages 0-5. The Managed Risk Medical Insurance Board decided on December 17, 2008, to not impose a waiting list for the Healthy Families Program new enrollment.

We sincerely thank First 5 California and the local Commissions for their generous contribution to help fund children's health care coverage in Healthy Families.

To apply for Healthy Families, you can download an application at www.healthyfamilies.ca.gov/English/appldownload.html. Or, call 1-888-880-5305, and we will send one to you.

If you have any questions, please call 1-800-880-5305, Monday through Friday, 8 a.m. to 8 p.m., or on Saturday, 8 a.m. to 5 p.m. The call is free.



Premium Re-evaluations & Premium Increase

Beginning February 1, 2009, the monthly premiums will increase for some families in the Healthy Families Program (HFP). Monthly premiums will be increasing for families in Categories B and C only.

The new monthly premiums in Category B will be \$9 per child if enrolled in the Community Provider Plan (CPP) and \$12 per child if enrolled in a non-CPP plan. The maximum premium in Category B will be \$36 for three or more children enrolled in a non-CPP plan. The new monthly premiums for Category C will be \$14 per child if enrolled in the CPP and \$17 per child if enrolled in a non-CPP plan. The maximum premium for Category C will be \$51 for three or more children enrolled in a non-CPP plan.

A notice was sent to all families with their November billing statement to let them know about the premium increase. Only families affected by the premium increase received a Premium Re-evaluation Form in their Open Enrollment (OE) Packet to assist them in determining if changes in their family size or income might reduce their premium amount.

We encourage families to submit a Premium Re-evaluation Form with their current income documentation, as well as documentation for any deductions. The HFP will review their new income and determine if their premium can be lowered or if the child now qualifies for Medi-Cal. The HFP will only forward the Form to Medi-Cal if the applicant has authorized the Program to do so. If the Form is sent to Medi-Cal, the child may qualify for Presumptive Eligibility (PE) for Medi-Cal. PE coverage provides free temporary Medi-Cal. If the child qualifies for PE, the Medi-Cal coverage begins after the HFP coverage ends. PE coverage ends when Medi-Cal makes a final decision. If the child qualifies for Medi-Cal and there is no authorization, the child will remain in the HFP in premium Category A. Please allow 30 days for the HFP to review and respond to the Premium Re-evaluation Form.

You can download a Premium Re-evaluation Form from the HFP website in English at www.healthyfamilies.ca.gov/English/Publications/HF_FM_150_EN.pdf or in Spanish at www.healthyfamilies.ca.gov/Spanish/Publications/HF_FM_150_ES.pdf.

Finding a Provider on the HFP Website

It is very important for families to find out if their child's current or previous provider is affiliated with a Healthy Families Program (HFP) plan. This patient/provider relationship often determines which plan an applicant may choose at initial application or during the annual Open Enrollment period.

Due to recent updates to the Network Information System (NIS) (i.e., Find a Doctor or Dentist search engine), you may have noticed that some providers you know are affiliated with a specific plan may not be found. In order to assure that applicants have the most accurate provider information available use the process listed below.

For the optimal way to find a provider, please follow the steps below:

- To find a specific provider, first search for the provider by name (not by plan). If a provider is found, it will list all plans with whom the provider is affiliated.
- If you do not have a specific provider in mind but want a specific plan provider, then you can first select a plan and not enter a provider name. However, this limits the search to the first 50 providers only.

The HFP is continuing to make improvements to the NIS provider search engine. In the near future, we will be adding additional search criteria for eye care providers and access to all providers within the search parameters (rather than the first 50 only). We will continue to provide updates as these new features are implemented.

CPP changes for 2008-2009

The Community Provider Plan (CPP) is the health plan participating in the Healthy Families Program offered at a \$3 per month discount to subscribers. There is a CPP in each of the 58 counties in California. A plan is designated as the CPP if it has done the best job of including traditional and safety net providers in its network, as measured by the Child Health and Disability Providers (35% of their score), clinic providers (45% of their score), and hospitals (20% of their score). An audit is required in counties where there is less than a 16% difference between the highest scores or if there appears to be a change in the highest score from the year before. There were 28 counties requiring audits this year, however plans had the option of not participating in the audit if they wished to relinquish their CPP status. As a result, audits were only conducted in Colusa, Fresno, Kern, Kings, Madera, Merced, Monterey, Napa, San Diego, San Joaquin, San Luis, Obispo, Stanislaus, Tulare, Ventura and Yuba counties. There were nine CPP changes for 2008-2009. The affected counties are Colusa, Del Norte, Kern, Merced, Sacramento, Solano, Tulare, Yolo and Yuba.

2008-2009 Community Provider Plan Changes

County	Old CPP	New CPP
Colusa	Health Net EPO	Anthem Blue Cross EPO
Del Norte	Blue Cross EPO	Blue Shield EPO
Kern	Kern Family Health Care	Anthem Blue Cross EPO
Merced	Health Plan of San Joaquin	Anthem Blue Cross EPO
Sacramento	Blue Cross HMO	Molina
Solano	Blue Cross EPO	Health Net HMO
Tulare	Health Net HMO	Anthem Blue Cross EPO
Yolo	Blue Cross EPO	Health Net HMO
Yuba	Health Net EPO	Anthem Blue Cross EPO

For members enrolled in the previous CPP, this means they must change to the new CPP in order to keep their premiums at the discounted rate. For members already enrolled in the new CPP, this means their premiums will be discounted by \$3 per month should they choose to stay enrolled in the plan. Members affected by these CPP changes will receive a personalized Open Enrollment packet which explains the impact to their premium amount. Open Enrollment ends on December 31, 2008, and plan transfers are effective February 1, 2009.

Plan Name Changes

There are three health plans that participate in the Healthy Families Program (HFP) that have changed their names this year. Below are the old and new names for these plans.

OLD NAME	NEW NAME
Santa Barbara Regional Health Authority	CenCal Health
Blue Cross - EPO	Anthem Blue Cross EPO
Blue Cross - HMO	Anthem Blue Cross HMO

As of October 16, 2008, the new plan names are being used on all HFP correspondence, including Welcome Letters and Open Enrollment Packets. In addition, Health-e-App (HeApp) has been updated to reflect the new plan names.

An announcement has been added to the HFP website homepage specifically announcing Santa Barbara Regional Health Authority's new name. To view this announcement, please go to www.healthyfamilies.ca.gov/English/CenCal_Health.html. However, the plan and provider search functionality and plan ads will not be updated to show the new plan names until early 2009. The HFP Handbooks that will be available in late January 2009 will contain the new plan names.

Coming Soon: New Handbooks for HFP and AIM

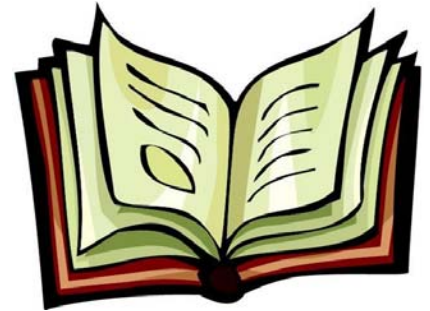
Each year, the Healthy Families Program (HFP) and Access for Infants and Mothers (AIM) Program produce updated handbooks. Usually, the new handbooks are available in June of each year, but as you know, 2008-2009 HFP and AIM handbooks have been delayed.

The good news is that these handbooks are nearing completion! English versions of the HFP and AIM handbooks are expected to be available by February 1, 2009. The Spanish HFP handbook will also be available at this time. Later in February, Armenian, Chinese, Farsi, Hmong, Khmer (Cambodian), Korean, Russian, and Vietnamese versions of the HFP handbook will also be available. Chinese and Spanish translations of the AIM handbooks are expected in late February or early March.

It is important that you obtain a copy of the February 2009 handbooks as they contain the new plan coverage areas, new CPP information, and new premium amounts. Until the February 2009 Handbooks are available, you can access this new information at:

www.healthyfamilies.ca.gov/English/OpenEnrollment.html

When the February 2009 handbooks are available for order, another article will be published in the Newsletter. To order the new handbooks when they become available, please use the new Marketing and Materials Order Form. The order form can be found here www.dhcs.ca.gov/formsandpubs/forms/Forms/MC%20370.pdf.



Update on New Medi-Cal Documentation Requirements for U.S. Citizens and Nationals

The Deficit Reduction Act of 2005 (DRA) requires documentation of United States (U.S.) citizenship or U.S. national status and identity as a condition of Medi-Cal eligibility for most applicants and beneficiaries who declare that they are a U.S. citizen or national. This new requirement does not apply to the Healthy Families Program, and it is never applicable to non-citizen immigrants.

The Department of Health Care Services (DHCS) in collaboration with the Managed Risk Medical Insurance Board (MRMIB) is continuing to take the steps necessary to allow Certified Application Assistants (CAAs) to assist Medi-Cal applicants and beneficiaries with the new citizenship and identity documentation requirements of the DRA. The new process will be voluntary for CAAs beginning early in 2009.

DHCS is developing detailed instructions for CAAs on how to assist Medi-Cal applicants and beneficiaries with the new DRA requirements. After the instructions are released, CAAs will be able to access these instructions from the MRMIB website. In addition, DHCS is developing web-based training for CAAs on the new process. Once training is complete, CAAs will be able to certify that they have viewed original or certified copies of citizenship and/or identity documents for Medi-Cal applicants and beneficiaries. County Eligibility workers will make the determination as to whether or not the DRA requirements have been met. DHCS and MRMIB will continue to provide updates as they become available.

Income Documentation for Self-Employment

Self-employment income documentation can be difficult. The Healthy Families Program (HFP) accepts documentation for self-employment in two forms:

- A Profit and Loss Statement (P&L); or
- A Federal Income Tax Form 1040, 1040NR or 1040X (amended tax return) with original 1040 with Schedule C or C-EZ

The following information will provide some tips for using these types of documentation.

Federal Tax Form 1040, 1040NR, 1040X (amended tax return) with original 1040, with Schedule C or Schedule C-EZ

Here are some examples on how you can calculate income for 1040 Federal Income Tax for Self-Employment.

Determining income for Federal Income Tax:

- 1040 - income reported on line 12 (business income or loss) has to match line 31 (business net profit or loss) on Schedule C
- 1040NR – income reported on line 13 has to match line 31 on Schedule C
- From Schedule C, add line 13 (depreciation) and line 24B (meals and entertainment) to line 12 on 1040 or line 13 on 1040NR.

If there is a negative amount on 1040 line 12, the family may still be HFP eligible. When calculating the income, the HFP does not treat depreciation, meals and entertainment as business expenses. The HFP adds these expenses back into the income. See the example below:

- 1040 line 12 shows a negative amount of -\$5000
- Schedule C line 13 (depreciation) has \$17,000 and Schedule C line 24b (meals and entertainment) has \$600.
- Add Schedule C line 13 \$17,000 (depreciation) and Schedule C line 24b \$600 (meals and entertainment) = \$17,600.
- Add this number to the -\$5000 indicated on the 1040 line 12. For example, $\$17,600 + (-\$5000) = \$12,600$ now making the 1040 line 12 into a positive amount. Consider line 12 as being \$12,600 and not -\$5000.
- Add all positive amounts on lines 7 through 21 on the 1040. Treat negative amounts as “zero.” Then, divide the yearly income by 12 to come up with the monthly income.

Schedule C-EZ is also a valid document that can be used instead of a Schedule C. This is only used when the business does not claim depreciation and the expenses are less than \$5000 on line 2.

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When is the best time to call?

Applicants looking to receive the fastest access to the Healthy Families Program (HFP) Call Center (1-866-848-9166) should try calling during non-peak times:

Good....Weekdays after 11 a.m.

Better...Weekdays after 6 p.m.

Best.....Saturdays 8 a.m. to 5 p.m.

The Call Center is open Monday through Friday, 8 a.m. to 8 p.m. and Saturday from 8 a.m. to 5 p.m.



Income Documentation for Self-Employment (continued from page 5)

Profit and Loss Statement

The Profit and Loss Statement (P&L) has to be for the 3-month period prior to the date HFP receives the documentation. For example, if an application is submitted in December, the P&L must be for September, October and November. You may now submit a P&L for less than 3 months if you have been in business for less than three months. Look for updates in web-based training and the CAA Reference Manual on this topic!

A valid P&L must contain the following information:

- Dates for the three-month period covered by the P&L statement
- Name, address, and telephone number of the business
- Gross income, itemized expenses, and net profit itemized separately for each of the three months
- The statement “The information provided is true and correct” and the signature of the person who earned the income
- Percentage of income if the business is partnership

Any depreciation or meals/entertainment amounts listed under expenses or cash expenses taken by the owner will be added back to the net profit only for that month. For a sample P&L statement in English, please go to:

www.healthyfamilies.ca.gov/English/caa/pdfs/sampleprofitloss.pdf or for Spanish go to: www.healthyfamilies.ca.gov/English/caa/pdfs/sampleprofitloss_ES.pdf.

Two-month P&L

A P&L statement for the last 2 months is acceptable if you are not able to provide income for the previous month because you have only been in business for two months. You would add the 2 months that your business started and divide by 2 to get the previous month average amount. In addition, this P&L must include a statement explaining that the person has been in business less than three months and identify exactly how long they have been in business (i.e., 1 month or 2 months).

Example: June’s net amount is \$2500 and July’s net amount is \$1500. Add these amounts for June and July together and then divide by 2 to get the net (average) monthly income.

June 2008		July 2008	
Gross Receipts	\$3,000	Gross Receipts	\$2,000
Total Income	\$3,000	Total Income	\$2,000
Expense:		Expense:	
Advertising	\$300	Advertising	\$300
Gas	\$100	Gas	\$100
Phone	\$100	Phone	\$100
Total Net Income	\$2,500	Total Net Income	\$1,500

$$\text{\$2500 (June) + \$1500 (July) = \$4000 divide by 2 = \$2000 (monthly net income amount)}$$

Please note that a Self Affidavit of Income Letter is not acceptable as proof of self-employment income. Also note that if a person is an independent contractor or a 1099 employee, they are considered self-employed. They must send appropriate proof of self-employment income. An employer statement is not acceptable proof.

The latest information on documenting self-employment income can be found on the HFP website in the CAA Reference Manual in English at www.healthyfamilies.ca.gov/English/caa/caa_ref_manual.htm and in Spanish at www.healthyfamilies.ca.gov/Spanish/caa.html.

EE/CAA Helpful Resources

Help Desk for EEs and CAAs

The Healthy Families Program (HFP) offers a help desk for Enrollment Entities (EEs) and Certified Application Assistants (CAAs). EEs and CAAs may call this help desk to:

- Find out about CAA Web-based Training
- Get information about in-person training for CAAs
- Register as an EE through the ITP process
- Update EE and CAA profiles with the HFP
- Ask general questions regarding the HFP

If you wish to contact the EE/CAA Help Desk, please call 1-800-279-5012 Monday through Saturday between 8:30 a.m. and 5:00 p.m. or send an email to eecaalaison@MAXIMUS.com.

Help Desk for Health-e-App

For technical support with Health-e-App (HeApp), please call the HeApp help desk at 1-866-861-3443 Monday through Friday between 8:00 a.m. to 8:00 p.m. or Saturdays between 8:00 a.m. and 5:00 p.m. You may also send an email to HFHeA@MAXIMUS.com. The HeApp help desk can assist EEs and CAAs with:

- Establishing EE accounts
- Navigation questions for HeApp
- Reporting any problems using HeApp
- Resetting expired passwords
- The HeApp tutorial

HFP Website – EE/CAA Section

The Information for EEs and CAAs section of the HFP website contains important information and resources, including program changes, newsletter archives, Health-e-App information, the CAA Reference Manual, CAA Web-based Training, citizenship and immigration information, ITP forms, and EE reimbursement information. This section of the HFP website can be found at www.healthyfamilies.ca.gov/English/caa/caa_ee.html.

Health-e-App Website

This site is dedicated to helping California's EEs, CAAs, eligibility workers, and counties use Health-e-App, the online application for Healthy Families and Medi-Cal for Children Programs. The site can be accessed at: www.healthapp.net.

Healthy Families Fax Numbers

These are the fax numbers for the Healthy Families program. They are available 24 hours a day, seven days a week.

General information, first time applicants
Fax to 1-866-848-4977

Existing members, missing information
Fax to 1-866-848-4974

Annual Eligibility Review
Fax to 1-866-848-4975

Health-e-App
Fax to 1-866-848-4976